

Illinois Department of Revenue  
101 West Jefferson Street  
Springfield, Illinois 62708

INFORMATIONAL BULLETIN FY86-9

TO: All Retailers Located Within the Corporate Limits of the  
Cities of Granite City, Madison, Venice, and Unincorporated  
Area of Madison County

SUBJECT: Illinois Enterprise Zone Act  
Public Act 82-1019 (SB 1299)

If your business does not sell building materials, please disregard  
this bulletin.

The Illinois Department of Commerce and Community Affairs has certified  
an area in the cities of Granite City, Madison, Venice and the  
unincorporated area of Madison County as an enterprise zone in  
accordance with the provisions of Public Act 82-1019. As a retailer in  
the cities of Granite City, Madison, Venice, and the unincorporated  
area of Madison County you may be entitled to sales tax relief on  
certain sales of building material which will be incorporated into real  
estate in that enterprise zone.

To be eligible, you for sales tax relief you must:

1. Be located within the corporate limits of Granite City, Madison,  
Venice, or the unincorporated area of Madison County;
2. Make a sale on or after July 1, 1985 of building material which  
will be incorporated into real estate in the cities of Granite  
City, Madison, Venice, and the unincorporated area of Madison  
County enterprise zone by remodeling, rehabilitation or new  
construction; ( the building improvement must be of the nature and  
scope for which a building permit is required by the building code  
and the permit must have been issued);
3. Report gross receipts from all such sales in Item 1 on your sales  
tax return (Form RR-1-A);
4. Pay all taxes due;
5. Unconditionally refund tax to the purchaser or otherwise  
demonstrate that you (the retailer) bore the burden of the tax;  
and
6. File Claims for Credit (on Form RCR-21 for state tax; RCR-22 for  
municipal tax) with the Department of Revenue.

The ONLY building materials which qualify for sales tax relief are  
those that will be incorporated into a project that is of the  
nature and scope for which a building permit is required.

To substantiate the claim, you must provide the Department with the  
following documentation:

- A. A copy of the invoice, showing type of material, price, and sales

tax charged;

- B. A statement signed by the purchaser indicating that the material will be physically incorporated into real estate located in the cities of Granite City, Madison, Venice, and the unincorporated area of Madison County enterprise zone (see reverse side for sample of Purchaser's Statement);
- C. A copy of the cancelled check, credit memorandum, or "instant refund" showing tax refunded to the purchaser (see reverse side for the sample of "instant refund").

The statute authorizes the filing of claims for credit. It does not authorize an exemption or deduction. You may not reduce your gross receipts (in Item 1) or take a deduction on your sales tax return.

We will process enterprise zone claims for credit on a first-in, first-out basis. When we approve the claims for credit, we will issue you a separate credit memorandum for each type of tax you are recovering (i.e., state tax and municipal tax). DO NOT attempt to offset any taxes due by the amount of your claim until you receive the credit memoranda. Such an attempt could result in our imposing penalty and interest charges on your account.

If you have any questions regarding claims for credit, please contact us at (217) 782-7517.

J. Thomas Johnson  
Director of Revenue

Issued: August 1985

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